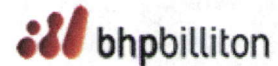


M037/001



Rio Algom Mining LLC  
Lisbon Operation  
P.O. Box 1269  
Moab, Utah 84532  
Tel 435-686-2215  
Fax 435-686-2337  
E-mail laxtell@hubwest.com

October 05, 2006

Mr. Paul Baker, Reclamation Biologist  
State of Utah, Department of Natural Resources  
Division of Oil, Gas and Mining  
1594 West North Temple  
Suite 1210  
Salt Lake City, Utah 84114-5801

Re: MR-Site/Bond Release request.

Dear Mr. Baker:

Attached please find a completed MR-Site/Bond Release form for the RAM LLC Lisbon site. We appreciate your efforts in closing this issue. If you have any questions please contact Frank Fossey at (435) 686-2215.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry D. Axtell", written over the typed name.

Larry D. Axtell  
Administrative Supervisor  
RAM LLC-Lisbon Operation

CC:

T. Fletcher  
File

RECEIVED

OCT 11 2006

DIV. OF OIL, GAS & MINING

### Application for Site and/or Bond Release

Operator/Permittee: <u>Rio Algom Mining LLC</u>	
Mine/Project Name: <u>Lisbon Mine</u>	
File Number: <u>M</u> <u>037</u> <u>001</u>	
Check One: <input checked="" type="checkbox"/> Large Mine <input type="checkbox"/> Small Mine <input type="checkbox"/> Exploration	
Check one: <input type="checkbox"/> Partial Release of a <u>portion</u> of the mine site: Acres to be released: _____ Acres Remaining: _____ Specify Area: _____	
<input type="checkbox"/> Full Release of a <u>portion</u> of the mine site:                      Acres to be released: _____ Specify Area: _____	
<input type="checkbox"/> Partial Release of entire mine site:                      Total Acres to be released: _____ (Backfilling and grading are completed)	
<input checked="" type="checkbox"/> Full Release of entire mine site:                      Total Acres to be released: <u>2.25</u> _____ (Vegetation established and survived three growing seasons)	
Amount of Existing Surety: <u>\$68,022.38 (Sept. 2006)</u>	
Amount of Surety requested for release: <u>All</u>	
Reason for Bond Release Request: <u>Mine reclamation is complete.</u>	
Complete this section if the money released from this application is to be used as surety for future disturbance.  Release bond on: _____ Acres (specify area) _____  Apply Bond to: _____ Acres (specify area) _____	
Check Applicable Boxes	<b>DESCRIPTION of RECLAMATION ACTIVITIES COMPLETED</b> (Describe any variance(s) that have been granted, date activity completed)
X      Wells Plugged / shafts sealed	See Attachment One, Item 1.
X      Disposal of debris & other materials incident to mining	All debris has been removed. Completed July 2006.
X      Drainages, reestablished & stable	See Attachment One, Item 2.



X	Structures demolished / removed	See Attachment One, Item 3.
X	Regrading Completed – Slopes, pits, highwalls in stable condition	See Attachment One, Item 4.
X	Meets Postmining Land Use (Indicate Landuse)	See Attachment One, Item 5.
X	Roads Reclaimed	See Attachment One, Item 4.
	Dams, Impoundments, Ditches, Pits reclaimed	No applicable structures within the area.
X	Topsoil respread – amendments added	See Attachment One, Item 4.
X	Erosion Controlled	See Attachment One, Item 4.
X	Vegetation meets 70% of premining cover and has survived three years for full bond release – or has survived one year growing season to maintain small mine status.	See Attachment One, Item 6.

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments and obligations, herein.

LARRY D. AXTELL  
Print Name

Larry D. AxteLL Admin Super  
Sign Name, Position

10-5-06  
Date

**Return to:**

State of Utah  
Department of Natural Resources  
Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
Phone: (801) 538-5291 Fax: (801) 359-3940

<b>FOR DOGM USE ONLY:</b>	
File #:	M/ /
Approved:	
Bond Adjustment: from (\$)	
to \$	

O:\FORMS\Bonding Forms\Bond-Release\site-bond-release-applic.doc



Rio Algom Mining-Lisbon Operation  
File Number M-037-001

ATTACHMENT ONE

This attachment accompanies the Division of Oil, Gas and Mining form MR-Site/Bond Release. This attachment is used to provide the requested information which would not fit on the actual form.

Site Background:

The Lisbon Mine was a Uranium mine, located in San Juan County, approximately 4 miles south of the town of La Sal, Utah. The production and vent shafts were started in 1970. The mine went into production in 1972 and operated continually through September of 1988. The site area under the Division of Oil, Gas and Mining covered less than 5 acres and included:

1. The vent shaft, approximately 0.5 acres.
2. The production shaft, approximately 0.25 acres.
3. The Office/Shop/Warehouse complex, approximately 1.5 acres.

All the remaining areas, was until 2004, under the authority of the U. S. Nuclear Regulatory Commission. In September, 2004 the area came under the authority of the State of Utah, Division of Radiation Control when the State became an agreement state. The entire area will be deeded to the U. S. Department of Energy for long-term stewardship as required by federal law. This transfer is expected to be completed in CY 2007.

Item 1

The vent and production shafts were capped/plugged in 1989. A report of these activities was submitted to the Division in 1989. The Division reviewed and approved these activities. All abandoned exploration/monitor holes were plugged in 1999 and 2004 and a report was submitted to the Division. Mr. Anthony Gallegos, Senior Reclamation Specialist, inspected the exploration hole areas.

Item 2

The drainages in the DOGM area of concern were reclaimed under a plan approved by the USNRC for long term erosion protection. The areas have been inspected on multiple occasions by DOGM.

Item 3

The structures requiring demolition and removal included the following:



- Vent shaft headframe. Removed and buried onsite as per the approved USNRC plan in 1989.
- Production shaft headframe. Removed and most of the material was cleared for salvage in 1989.
- The Shop/Warehouse. Demolished and buried onsite as per the approved USNRC plan in 2003.
- Office. Demolished and buried onsite as per the approved USNRC plan in 2006.
- Office/Shop parking area. Contoured and reclaimed in 2006.

#### Item 4

All areas of concern to the DOGM were re-graded in compliance with the USNRC approved long term erosion protection plan. All areas requiring reseeding received top soil prior to reseeding. In the long term erosion protection plan it was determined that reseeding would successfully control erosion in all of the DOGM areas. All roads within the areas of DOGM concern were reclaimed using the same methods.

#### Item 5

As discussed in the Site Background section of this attachment the post-mining land use will be under the direction of the USDOE. With the exception of the vent shaft area, all areas of concern will be enclosed with a DOE approved fence and will not be accessible to the general public.

#### Item 6

The re-vegetation of the vent shaft area was completed and inspected by DOGM in 1996. In 2006, Mr. Paul Baker, Reclamation Biologist, (DOGM) requested that additional seed be applied, this has been completed. The shop/warehouse area reseeded naturally; however, to maintain quality and conformity the area was reseeded in 2006. Based on the positive results of other site areas reseeded, RAM LLC requests the Division grant a variance for this small area. Within a year this area will be under control of the USDOE. All reseeding conformed to the USBLM seed requirements.